Alberta Economy

Indicators at a Glance

Economic Activity

The Alberta Activity Index fell 1.0% in July but continues to improve over last year's levels, up 6.3% y/y. In 2016, Alberta's real GDP by industry fell by 3.8%, the largest drop among the provinces for the second year in a row.

Population

Alberta's population was 4,286,134 as of July 1, 2017, an increase of 1.2% from the year prior. Canada's population grew 1.2% from a year ago.

Migration

Net migration to Alberta was 5,486 in the second quarter of 2017. During this time, Alberta welcomed 10,400 net international migrants. However, there was a net outflow of interprovincial migrants (-4,914), the eighth consecutive quarterly decline.

Employment[1]

Alberta lost 7,800 jobs in September as part-time job losses (-9,900) were partially offset by an increase in full-time positions (+2,300). Employment increased 0.6% year-over-year (y/y).

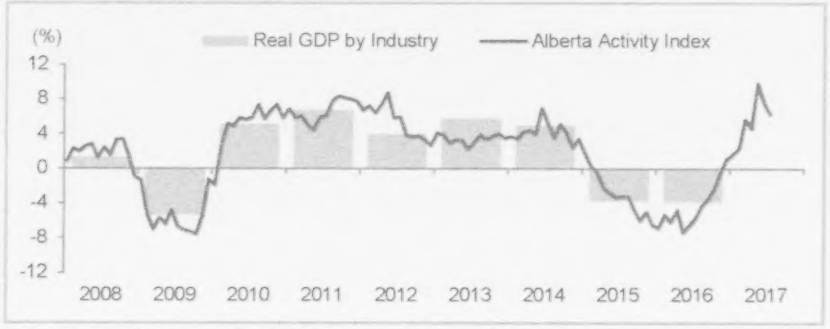
Unemployment Rate[1]

Alberta's unemployment rate fell 0.2 percentage points to 7.9% in September. Canada's unemployment rate held steady at 6.2%.

Rigs Drilling

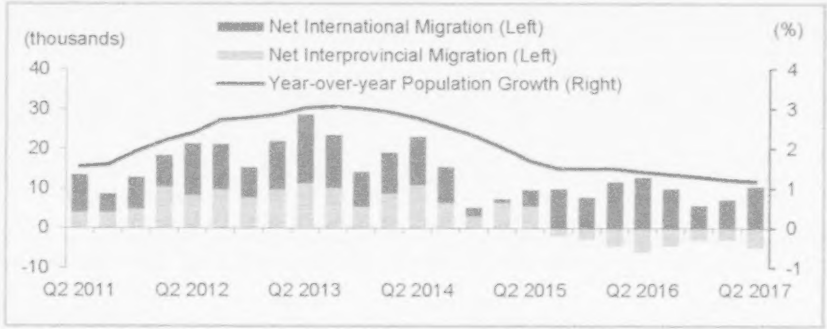
The number of active rigs in Alberta averaged 127 in September, up 60% y/y. Year-to-date, the number of active rigs has average 127, nearly double the amount in 2016.

Economic Activity
Year-over-year % change



Sources: Statistics Canada and Alberta Treasury Board and Finance

Demographics
Quarterly



Source: Statistics Canada

Labour Market
Monthly

Source: Statistics Canada

Inflation

The Alberta Consumer Price Index (CPI) rose 1.1% y/y in August, up from 1.0% in July, as energy prices increased. The Canadian inflation rate also ticked up in August to 1.4%.

Average Weekly Earnings[1]

Average weekly earnings (AWE) in Alberta fell by 0.9% in July to $1,125. Earnings are virtually unchanged from a year ago as higher earnings in the service sector (+2.4% y/y) are offset by lower earnings in the goods sector (-5.1% y/y).

Retail Sales[1]

Alberta retail sales decreased by 0.6% m/m to $6.8 billion in July. Retail sales grew 9.5% y/y, the eigth consecutive month of year-over-year gains.

NEW: Housing Starts[1]

Alberta housing starts rose 13% m/m in September to 29,768 units (annualized). Housing starts rose by 2% y/y, as strength in single-family starts (11% y/y) were partially offset by weakness in multi-family starts (-8% y/y).

NEW: New Housing Price Index

Alberta's New Housing Price Index (NHPI) increased 0.1% y/y in August. The house-only component was down 0.1% y/y, while land prices were up 0.4% y/y.

NEW: Building Permits[1]

Alberta building permits were up 6.2% m/m (+0.7% y/y) in August to $1.1 billion. Non-residential permits fell 33% y/y and residential permits rose 28% y/y.

[1] Seasonally adjusted

Contact

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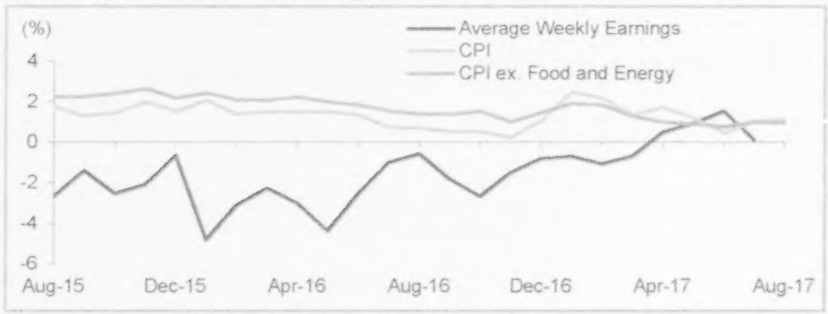
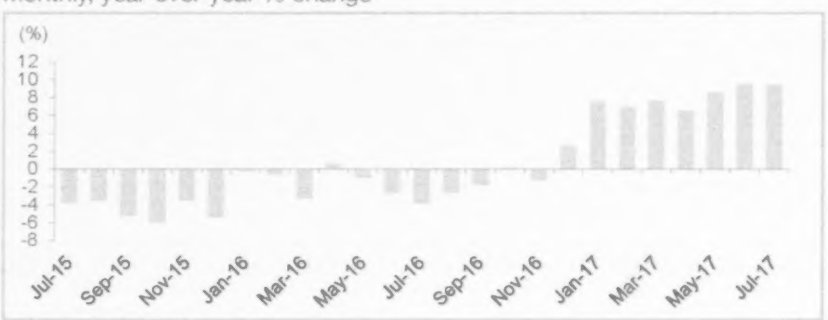
Inflation and Earnings
Monthly, year-over-year % change



Source: Statistics Canada

Retail Sales
Monthly, year-over-year % change



Source: Statistics Canada

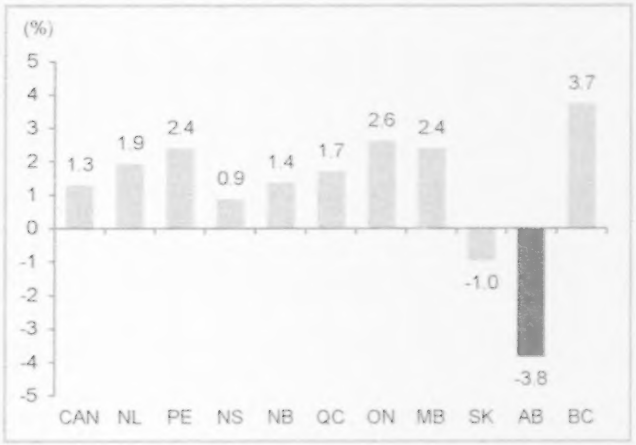
Housing Market
Monthly

Source: Statistics Canada, Canada Mortgage and Housing Corporation

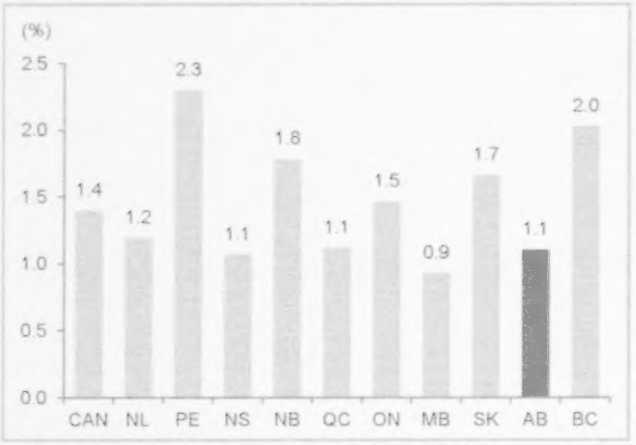
	Canadian Dollar (USc/$CAN)	WTI Oil ($US/bbl)	NYMEX Natural Gas ($US/MMBtu)	Alberta Reference Price ($C/GJ)
Latest (October 12, 2017)	80.18	50.60	2.99	1.83 (AM)
Fiscal year-to-date	77.26	48.39	3.04	2.26

Please see the *Weekly Economic Review* for current analysis on the Alberta economy.

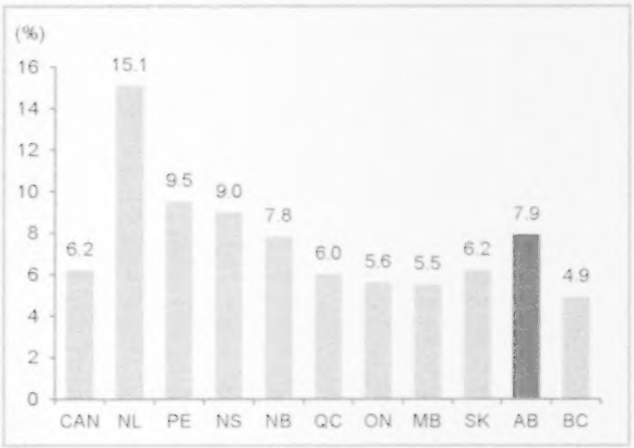
Real GDP by Industry
(2016, year-over-year growth)



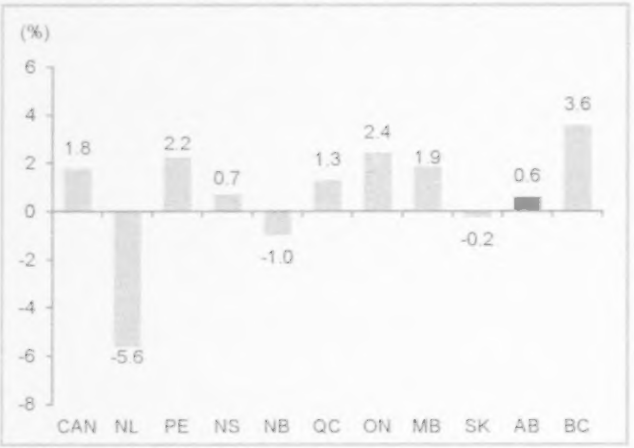
CPI Inflation
(August 2017, year-over-year growth)



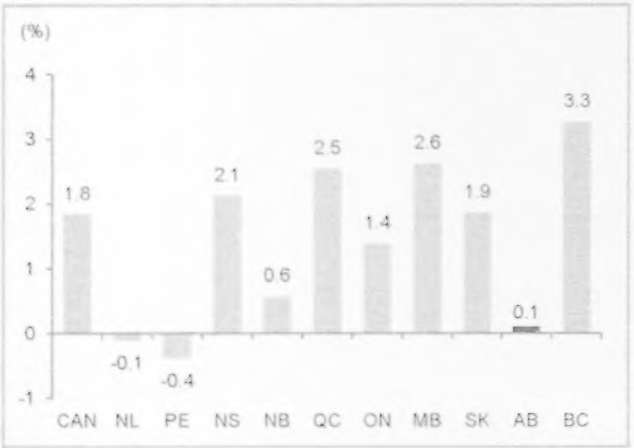
Unemployment Rate
(September 2017)



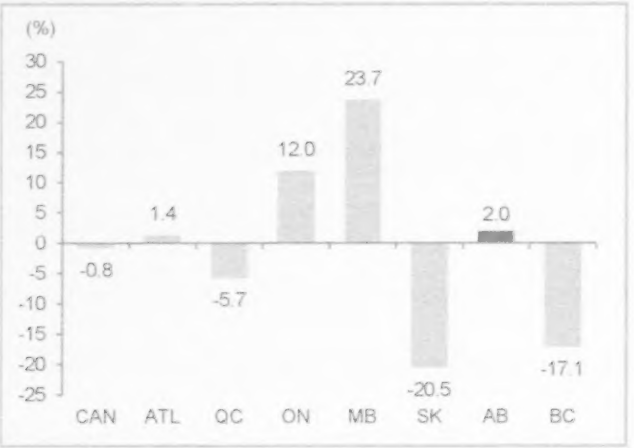
Employment
(September 2017, year-over-year growth)



Average Weekly Earnings
(July 2017, year-over-year growth)



Housing Starts
(September 2017, SAAR, year-over-year growth)



Alberta Economic Indicators

	2015	2016	2017YTD	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17
Alberta Activity Index (y/y % change)	-3.0	-4.4	-5.4	-4.6	-9.6	-7.6	-6.3		
Population[1]									
Population (thousands)	4,178	4,236	4,286	4,272			4,286		
y/y % change	1.7	1.4	1.2	1.3			1.2		
Net Interprovincial Migration	21,594	15,108	15,131	2,942			4,914		
Net International Migration	15,694	42,102	33,210	7,290			10,400		
Labour Market									
Employment (thousands, SA)	2,301	2,264	2,284	2,280	2,291	2,299	2,284	2,287	2,299
m/m change (thousands)				0.9	2.1	7.5	-14.4	2.3	7.6
y/y % change	1.2	-1.6	0.9	0.8	1.6	2.2	1.5	1.8	0.6
Unemployment Rate (%, SA)	6.0	8.1	8.0	7.9	7.8	7.1	7.8	8.1	7.9
Participation Rate (%, SA)	73.0	72.5	72.5	72.7	72.6	72.4	72.2	72.6	72.0
Average Weekly Earnings ($, SA)	1,146	1,119	1,119	1,125	1,112	1,135	1,125		
y/y % change	0.9	-2.4	0.1	0.5	0.9	1.5	0.1		
Household Sector									
Retail Sales ($ million, SA)	76,019	75,110	47,047	6,708	6,786	6,806	6,760		
y/y % change	-4.0	-1.2	8.0	6.6	8.6	9.5	9.5		
New Vehicle Sales (units, thousands)	242	224	148	24	24	24	22		
y/y % change	12.7	-7.6	12.7	15.0	17.2	14.2	14.3		
Consumer Price Index (y/y % change)	1.1	1.1	1.4	1.7	1.2	0.4	1.0	1.1	
Excluding Food & Energy	2.3	1.7	1.2	1.0	0.9	0.7	1.0	1.0	
NEW Housing Starts (SAAR, 000's)	37.3	24.5	29.4	31.2	32.6	31.0	33.7	26.4	39.8
y/y % change	8.1	-34.2	21.6	9.0	47.4	27.3	31.6	34.2	7.0
NEW New Housing Price Index (y/y % change)	0.7	0.5	0.4	0.5	0.8	-0.4	0.0	0.1	
Resale Home Sales	56,471	52,166	37,645	4,814	4,545	4,610	4,549	4,609	
y/y % change	21.2	-7.6	9.6	10.0	4.5	3.1	1.4	6.1	
Sales to New Listing Ratio	0.52	0.49	0.50	0.51	0.45	0.45	0.46	0.47	
MLS Average Resale Price ($ thousands)	393	395	398	400	400	402	395	396	
y/y % change	1.9	0.4	1.8	2.6	2.3	3.2	1.7	0.6	
Consumer Bankruptcies (level)	4,280	5,427	2,951	407	460	435	328		
y/y % change	10.9	26.8	-8.5	18.6	4.2	8.4	13.9		
Business Sector									
Goods Exports (customs based,$ million)	92,441	78,834	66,869	8,218	8,881	8,055	7,648	8,143	
y/y % change	-24.0	-14.7	36.1	52.9	59.1	39.2	22.8	15.2	
Energy Products ($ million)	62,500	51,468	46,635	5,556	6,164	5,486	5,105	5,751	
y/y% change	31.5	-17.7	49.9	78.3	81.9	56.2	28.7	19.4	
Agricultural Products ($ million)	6,474	6,283	4,815	614	709	582	540	516	
y/y % change	0.2	3.0	17.5	0.1	23.2	17.3	12.4	18.4	
Rigs Drilling	120	79	127	95	61	67	119	126	127
y/y% change	-52.6	-34.0	94.5	193.9	143.7	112.8	103.6	66.8	69.7
Manufacturing Shipments ($ million, SA)	68,178	62,703	41,035	5,929	6,096	5,967	5,765		
y/y% change	-14.3	-8.0	15.0	16.4	20.4	13.6	9.7		
Wholesale Trade ($ million, SA)	79,980	71,765	45,733	6,467	6,705	6,577	6,457		
y/y% change	-6.3	-9.6	9.2	9.1	16.8	9.6	18.3		
NEW Building Permits ($ million, SA)	16,753	14,200	8,871	1,002	1,181	1,099	1,037	1,102	
y/y% change	-8.2	-15.2	-2.3	21.7	15.9	10.9	-8.2	0.7	
NEW Residential Permits ($ million, SA)	9,876	7,930	5,539	662	749	711	666	769	
y/y % change	8.8	-19.7	15.4	1.8	34.1	22.9	11.3	28.1	
NEW Non-Residential Permits ($ million, SA)	6,877	6,270	3,332	340	432	388	371	333	
y/y% change	-7.4	-8.8	-22.1	43.8	-6.3	-6.9	-30.2	-22.6	
Non-Res. Building Const. Price Index[2] (y/y % change)	-0.7	-2.8	0.1			0.7			

[1] Population data presented on a census year basis (July 1– June 30). The current census year 2017.

[2] Quarterly, average of Calgary and Edmonton

YTD YTD (year-to-date). "SA" denotes seasonally adjusted. "SAAR" denotes seasonally adjusted at annual rate.

Sources: All data is from Statistics Canada except the Alberta Activity Index (Alberta Treasury Board and Finance), Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canadian Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (Office of the Superintendent of Bankruptcy Canada).All historical data are subject to revision